# IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TEXAS WACO DIVISION

DYNAENERGETICS EUROPE GMBH, and DYNAENERGETICS US, INC.,	C: 'I.A. (' N. (21 00240
Plaintiffs,	) Civil Action No: 6:21-cv-00349
V.	) ) COMBLAINT
HORIZONTAL WIRELINE SERVICES, LLC, and ALLIED WIRELINE SERVICES, LLC,	) COMPLAINT ) AND DEMAND FOR JURY TRIAL )
Defendants.	)

Plaintiffs DynaEnergetics Europe GmbH and DynaEnergetics US, Inc. (collectively, "DynaEnergetics") file this Complaint for patent infringement against Horizontal Wireline Services, LLC ("Horizontal Wireline"), and Allied Wireline Services, LLC ("Allied Wireline") (collectively "Defendants"), and, in support thereof, allege as follows:

#### THE PARTIES

- 1. Plaintiff DynaEnergetics Europe GmbH ("DynaEnergetics Europe") is a corporation organized under the laws of Germany, with its headquarters at Kaiserstrasse 3, 53840 Troisdorf, Germany.
- 2. Plaintiff DynaEnergetics US, Inc. ("DynaEnergetics US") is a corporation organized under the laws of the State of Colorado, with its headquarters at 2050 W. Sam Houston Pkwy S., Suite 1750, Houston, TX 77042-3659. DynaEnergetics US has a regular and established place of business within this District at 3580 HCR 1145 Loop North, Blum, TX 76627.
- 3. Upon information and belief, Defendant Horizontal Wireline is a Pennsylvania limited liability company with a registered address of 381 Colonial Manor Rd., Irwin, PA 15642.

Defendant Horizontal Wireline may be served with process by serving its registered agent Turnbridge Capital, LLC, at 100 Crescent Court, Suite 800, Dallas, Texas 75201, or as otherwise authorized under applicable law.

- 4. Upon information and belief, Defendant Allied Wireline is a Texas limited liability company with a mailing address of 3200 Wilcrest Dr., Ste. 170, Houston, TX 77042-3366. Defendant Allied Wireline may be served with process by serving its registered agent Turnbridge Capital, LLC, at 100 Crescent Court, Suite 800, Dallas, Texas 75201, or as otherwise authorized under applicable law.
- 5. Upon information and belief, one or more of the Defendants are doing business as Allied Horizontal Wireline Services.
- 6. Upon information and belief, Allied Wireline is the sole member of Horizontal Wireline.
- 7. Upon information and belief, Defendants have regular and established places of business throughout Texas and in this District, including at 6909 Ranch Road 1788, Midland, TX, 79706 and 2106 N FM 1788, Midland, TX 79707. Defendants list Midland, Texas as one of the locations of its "Service Locations" on its website, and a photo of the Midland, TX location is shown below.



## **JURISDICTION AND VENUE**

- 8. This is an action for patent infringement under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. § 271.
- 9. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the Patent Laws of the United States, including 35 U.S.C. § 1 *et seq*.
- 10. This court has personal jurisdiction over Defendants, and venue is proper in this District, because Defendants have regular and established places of business within this District and because Defendants actively and regularly conduct business within the State of Texas and within this District. Further, upon information and belief, infringement is occurring within the State of Texas and this District through Defendants' manufacture and distribution of the "ALPHATM Perforating System" (hereinafter referred to as "ALPHA") prewired perforating gun

system at its Texas manufacturing and distribution facilities, and within the State of Texas and this District through Defendants' sales of or offers to sell the ALPHA gun system.

11. Venue as to Defendants is thus proper in this judicial district under 28 U.S.C. §§ 1391(b) and (c) and 1400(b).

### **FACTS**

- 12. DynaEnergetics is a leader in the field of well completion, perforating, well abandonment, and seismic technologies. DynaEnergetics has a long history of technological innovation, including innovation in the manufacture of detonators, detonating cords, and perforating hardware.
- 13. In connection with its research and development efforts, DynaEnergetics has developed groundbreaking inventions for a wireless detonator assembly, a pre-wired perforating gun assembly, and methods of assembling the pre-wired perforating gun assembly. These inventions are currently protected by multiple United States patents, including U.S. Patent No. 10,844,697 (the "'697 Patent").
- 14. The '697 Patent, entitled "PERFORATION GUN COMPONENTS AND SYSTEM," was duly and legally issued on November 24, 2020 to DynaEnergetics Europe GmbH. A true and accurate copy of the '697 Patent is attached hereto and incorporated herein by reference as Exhibit A.
- 15. DynaEnergetics makes, distributes, offers to sell, and sells perforating gun systems that practice the '697 Patent. DynaEnergetics Europe exclusively licenses DynaEnergetics US to make, distribute, offer to sell, and sell perforating gun systems that practice the '697 Patent in the United States. DynaEnergetics has marked the covered products in accordance with 35 U.S.C. § 287.

- 16. Defendants are competitors of DynaEnergetics, including in the field of perforating systems. Defendants have, upon information and belief, either alone or in concert, manufactured, distributed, sold, or offered to sell the ALPHA in the United States, including within the State of Texas and within this District.
- 17. Defendants describe and provide a photo of the ALPHA on its website at https://horizontalwireline.com/alpha-perforating-system and https://horizontalwireline.com/alpha-perforating-system/alpha-gun-003-nobackground-2<sup>1</sup>. A copy of Defendants' websites advertising the ALPHA (as accessed on April 8, 2021 and March 9, 2021, respectively) is attached hereto and incorporated herein by reference as Exhibits B and C, respectively. Upon information and belief, Defendants continue to manufacture, distribute, sell, and/or offer to sell the ALPHA in the United States, including within the State of Texas and within this District.
- 18. The ALPHA infringes one or more claims of the '697 Patent, including at least each and every element of Claim 14 either literally or equivalently, as set forth below.

### 19. Claim 14 of the '697 Patent recites:

14. An electrical connection assembly for establishing an electrical connection with a detonator in a downhole tool, the electrical connection assembly comprising:

a tandem seal adapter having a first end, a second end and a bore that extends through the tandem seal adapter from the first end to the second end;

a pressure bulkhead having a body extending between a first end and a second end, the body of the pressure bulkhead is sealingly received in the bore of the tandem seal adapter, the pressure bulkhead also including a pin connector

<sup>&</sup>lt;sup>1</sup> At least as of March 9, 2021, the Defendants' webpage displaying a photo of the ALPHA was active. However, Defendants appear to have removed the video since that time and this link is no longer active.

assembly configured to relay an electrical signal between the first end of the pressure bulkhead and the second end of the pressure bulkhead; and

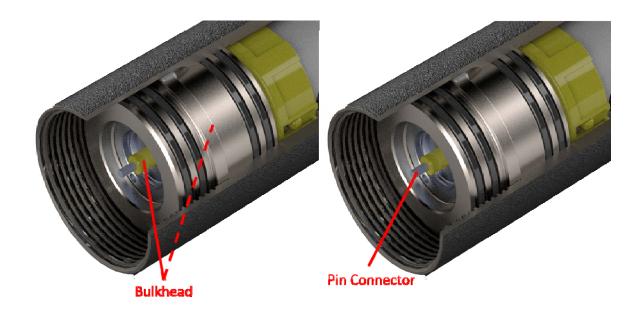
a set of inner components within the downhole tool that includes the detonator, the detonator being electrically connected to the pin connector assembly adjacent the inner end of the pressure bulkhead, wherein the tandem seal adapter and the pressure bulkhead are configured to seal the inner components from an environment adjacent the second end of the tandem seal adapter,

wherein the pin connector assembly includes a spring loaded contact pin, a portion of the spring loaded contact pin extends from the bulkhead body.

- 20. The ALPHA either literally or equivalently contains an electrical connection assembly for establishing an electrical connection with a detonator in a downhole tool. The description of the ALPHA in Exhibit B provides an example of this, where the ALPHA is described to have a "simplified two-step arming process" with "detonator detection technology us[ing] unique IP addresses assigned to each switch," in addition to having a "plug and play system us[ing] a sub-less design to minimize electrical connections to increase performance."
- 21. The electrical connection assembly in the ALPHA either literally or equivalently comprises a tandem seal adapter having a first end, a second end and a bore that extends through the tandem seal adapter from the first end to the second end. An example of this is shown in the below annotated photo of the ALPHA, showing the tandem seal adapter having a first end, a second end and a bore that extends through the tandem seal adapter from the first end to the second end.



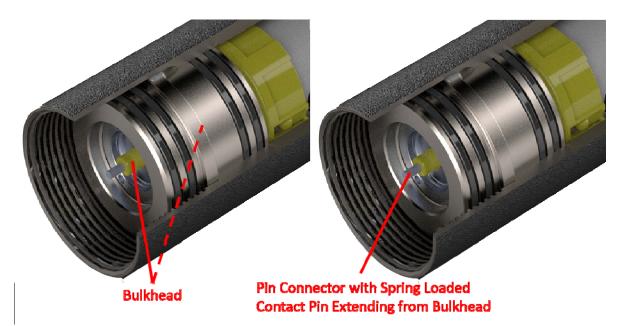
22. The electrical connection assembly in the ALPHA either literally or equivalently comprises a pressure bulkhead having a body extending between a first end and a second end, the body of the pressure bulkhead is sealingly received in the bore of the tandem seal adapter, the pressure bulkhead also including a pin connector assembly configured to relay an electrical signal between the first end of the pressure bulkhead and the second end of the pressure bulkhead. The description of the ALPHA in Exhibit B provides an example of this, where the ALPHA is described to have a "simplified two-step arming process" with "detonator detection technology us[ing] unique IP addresses assigned to each switch," in addition to having a "plug and play system us[ing] a sub-less design to minimize electrical connections to increase performance." An example of this is also shown in the below annotated photos of the ALPHA, where the pressure bulkhead of the ALPHA has a body extending between a first end and a second end, and the body of the pressure bulkhead is sealingly received in the bore of the tandem seal adapter and also includes a pin connector assembly configured to relay an electrical signal between the first end of the pressure bulkhead and the second end of the pressure bulkhead.



23. The electrical connection assembly in the ALPHA either literally or equivalently comprises a set of inner components within the downhole tool that includes the detonator, the detonator being electrically connected to the pin connector assembly adjacent the inner end of the pressure bulkhead, wherein the tandem seal adapter and the pressure bulkhead are configured to seal the inner components from an environment adjacent the second end of the tandem seal adapter. The description of the ALPHA in Exhibit B provides an example of this, where the ALPHA is described to have a "simplified two-step arming process" with "detonator detection technology us[ing] unique IP addresses assigned to each switch." An example of this is also shown in the below annotated photos of the ALPHA, where the inner components includes the detonator being electrically connected to the pin connector assembly adjacent the inner end of the pressure bulkhead, wherein the tandem seal adapter and the pressure bulkhead are configured to seal the inner components from an environment adjacent the second end of the tandem seal adapter.



24. The electrical connection assembly in the ALPHA either literally or equivalently comprises the pin connector assembly includes a spring loaded contact pin, a portion of the spring loaded contact pin extends from the bulkhead body. An example of this is shown in the below annotated photos of the ALPHA.



- 25. Defendants have known of the '697 Patent and its own infringing activities since at least as early as the filing of this complaint. Upon information and belief, Defendants have known of the '697 Patent and its own infringing activities since at least as early as the issuance of the '697 Patent on November 24, 2020.
- 26. Because Defendants are using infringing technology to compete directly with DynaEnergetics, it is causing irreparable harm to DynaEnergetics, thereby forcing DynaEnergetics to bring this lawsuit to protect its intellectual property.

### **COUNT I – INFRINGEMENT OF THE '697 PATENT**

- 27. DynaEnergetics repeats and incorporates by reference the allegations contained in the foregoing paragraphs, as if stated fully herein.
- 28. DynaEnergetics is the owner of the '697 Patent, with all substantive rights in and to that patent, including the sole and exclusive right to prosecute this action and enforce the '697 Patent against infringers, and to collect damages for all relevant times.
- 29. Defendants have, either alone or in concert, directly infringed and continue to infringe the '697 Patent, either literally or through the doctrine of equivalents, by making, using,

importing, supplying, distributing, selling and/or offering for sale the ALPHA within the United States, in violation of 35 U.S.C. § 271(a).

- 30. Upon information and belief, Defendants have made and are continuing to make unlawful gains and profits from their infringement of the '697 Patent.
- 31. At least as early as the filing the of this complaint, Defendants have been on notice of and have had knowledge of, the '697 Patent and of DynaEnergetics' allegations of infringement. Defendants' infringement of the '697 Patent has been willful and deliberate at least since this date.
- 32. DynaEnergetics has been damaged and irreparably harmed by Defendants' infringement of the '697 Patent for which DynaEnergetics is entitled to relief under 35 U.S.C. § 284. DynaEnergetics will continue to suffer damages and irreparable harm unless Defendants are enjoined preliminarily and permanently by this Court from continuing its infringement.

#### **ATTORNEYS' FEES**

33. Pursuant to 35 U.S.C. § 285, DynaEnergetics is entitled to and hereby demands its reasonable attorneys' fees in this case.

#### **JURY DEMAND**

34. Pursuant to Rule 38 of the Federal Rules of Civil Procedure, DynaEnergetics respectfully requests a trial by jury of any issues so triable.

#### PRAYER FOR RELIEF

WHEREFORE, DynaEnergetics respectfully asks that the Court issue citation for Defendants to appear and answer and seeks the following additional relief:

A. that Defendants are declared to have directly infringed one or more of the claims of the '697 Patent under 35 U.S.C. § 271(a);

B. that that Court issue a preliminary and permanent injunction pursuant to 35

U.S.C. § 283 against the continuing infringement of the claims of the '697 Patent by Defendants,

its officers, agents, employees, attorneys, representatives, and all others acting in concert

therewith;

C. that the Court order an accounting for all monies received by or on behalf of

Defendants and all damages sustained by DynaEnergetics as a result of Defendants'

aforementioned infringements, that such monies and damages be awarded to DynaEnergetics,

and that interest and costs be assessed against Defendants pursuant to 35 U.S.C. § 284;

D. that the Court declare that Defendants' infringement was and is willful from the

time it became aware of the infringing nature of their product and award treble damages for the

period of such willful infringement of the '697 Patent, pursuant to 35 U.S.C. § 284;

E. that the Court declare this an exceptional case and order that Defendants pay to

DynaEnergetics its reasonable attorneys' fees and costs, pursuant to 35 U.S.C. § 285; and

F. that the Court award such further and other relief to DynaEnergetics as the Court

deems just, together with its costs and disbursements in this action.

Dated: April 8, 2021

Respectfully submitted,

By: /s/Eric H. Findlay

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